Workplace participation: article

Work, Employment and Society
25(3) 379–396
© The Author(s) 2011
Reprints and permission: sagepub.
co.uk/journalsPermissions.nav
DOI: 10.1177/0950017011407966
wes.sagepub.com
SAGE

Work environment quality: the role of workplace participation and democracy

Herman Knudsen
Aalborg University, Denmark

Ole Busck
Aalborg University, Denmark

Jens Lind
Aalborg University, Denmark

Abstract
The article explores how employee participation influences the quality of the work environment and workers' well-being at 11 Danish workplaces from within six different industries. Both direct participation and representative forms of participation at the workplace level were studied. Statistical as well as qualitative comparative analyses reveal that work environment quality and high levels of participation go hand in hand. Within a typology of participation models the highest level of participation, including strong elements of collective participation, and also the best work environment, measured as 'psychosocial well-being', were found at workplaces managed in accordance with democratic principles.

Keywords
direct participation, employee participation, industrial democracy, participation, psychosocial work environment, representative participation, work environment

Introduction

This article reports on recent Danish research on how employee participation affects the quality of the work environment (QWE). Since the 1970s, *work (or working)*

Corresponding author:
Herman Knudsen, Department of Development and Planning, Aalborg University, Fibigerstraede 13, 9220 Aalborg, Denmark.
Email: hk@plan.aau.dk

environment has been the central concept used in Scandinavia to describe what was earlier termed 'occupational health and safety'. The shift in language represented a shift away from focusing narrowly on health and safety hazards to looking more broadly at factors in the physical and social environment that influence the quality of working life. Within this paradigm proactive strategies intend not only to prevent work-related injuries and illness, but also to promote working conditions able to fulfil human needs for well-being and development. This applies in particular for activities attempting to improve the 'psychosocial work environment', a term which denotes how job demands and social structures and interactions in the organization influence the psychological well-being of employees.

The aim of the study was to investigate how employee participation affects the work environment in contemporary Danish working life. Employee participation is usually considered to have positive effects on organizational efficiency as well as workers' well-being and health. Positive effects for the work environment have been identified both for direct participation, where participation is exercised by employees individually or in teams, and indirect participation, where it takes place through representatives (EPOC, 2005; Hagen and Trygstad, 2009; Heller et al., 1998; Walters and Nichols, 2007). However, forms and contents of participation change over time, and a recent debate in Scandinavia questions whether new forms, or configurations, of direct participation can still be regarded as beneficial to the work environment. In a Norwegian survey, Kalleberg et al. (2009) found team-work to be positively correlated with stress, whereas other forms of participation, job autonomy and consultation tended to reduce stress.

A focal point for research on the effects of direct participation on health and well-being has been Robert Karasek's demand-control model (Karasek and Theorell, 1990). This model, which was supported by empirical evidence from the 1970s and onwards, maintains that psychologically unhealthy jobs in particular are those where job demands are high and workers' job control low. Conversely, healthy jobs are found both with the combinations low demands-high control, and high demands-high control. In other words, job control, an essential aspect of direct participation, is the important factor determining whether a job leads to strain, stress and related illness, or the worker maintains a healthy condition. However, the question is whether Karasek's model is still valid in present work contexts. The past years have witnessed a simultaneous increase in direct participation and work-related stress and stress-related illness, thus indicating that contemporary forms of participation may be framed in ways that fail to secure the type of employee job control that Karasek identified and advocated. Certain structures and mechanisms seem to prevent workers from 'being in control' when performing their jobs, even though more responsibility and decision-making powers have been delegated to them (Busck et al., 2010).

For this reason, it was the expectation that the research presented here would not only find positive work environment effects of participation, but also examples of participation configurations with 'toxic' effects. In actual fact, positive effects turned out to be predominant. However, some negative effects were also revealed, and they would possibly have been more visible if more intensive and context-sensitive methods had been applied.

The rest of the article is structured in the following way. The two following sections consider the concept of employee participation, first by addressing core themes and discussions from the research literature, then by introducing the definitions of participation applied in this study. The next sections then present the design and methodology and the findings of the study. Finally, in the conclusion findings are discussed against key points in the literature.

Employee participation in the literature

Employee participation is a generic term which acquires many different meanings. Such diverse phenomena in working life as team briefings, suggestion schemes, delegation of decision-making powers to employees, staff meetings, works councils, union representation, collective bargaining and employee representation at board level may all be subsumed under the concept of participation. What binds them together, however, are two shared characteristics:

a) participation deals with employees' influence on decision-making in organizations characterized by a division between owners/managers and workers/employees (Knudsen, 1995; Wall and Lischeron, 1977), and
b) participation is played out in a decision-making context dominated by the management prerogative (Knudsen, 1995), or, as formulated by Pateman (1970: 68): 'The whole point about industrial participation is that it involves a modification, to greater or lesser degree, of the orthodox authority structure, namely one where decision making is the 'prerogative' of management, in which workers play no part.'

What does it mean to have influence on decisions in organizations? In line with other scholars within the field, Blyton and Turnbull (2004: 255–6) define the degrees of participation (or its *depth*) as a continuum stretching from 'no involvement', through 'receiving information', 'joint consultation' and 'joint decision' to 'employee control'. Pure employee control can either be control delegated by management, usually at task level, or it can be exercised against the will of the employer, again typically at task level, or, more rarely, through radical action such as an occupation of the workplace. In her important theoretical work on participation, Pateman (1970) distinguishes between 'pseudo', 'partial' and 'full' participation. Pseudo participation denotes management techniques, which, even though involving information and consultation of employees, aim at persuading employees to accept decisions that have *already* been taken. Partial participation takes place in situations where the employees are able to influence decisions but without having the same power as management, whereas full participation only occurs if the persons or parties involved have equal power. Consequently, according to Pateman participation in capitalist organizations is either pseudo or partial. While Pateman, with the term pseudo participation, no doubt grasps an important aspect of organizational features that are often labelled employee participation or influence – as does Heller (1998) by identifying 'inauthentic' and 'manipulative' forms of participation – it is, however, extremely difficult to determine in practice whether specific forms of participation are pseudo or not. Information and consultation processes may be management initiatives to make employees accept already taken decisions, but may at the same time provide employees with knowledge resources empowering them to influence future decisions, and, in the case of consultation, may also inspire management to change elements in decisions or in the practical implementation of the decisions. While it may be important to determine whether a given scheme of participation is mainly an instrument for furthering employee influence and autonomy or primarily a management instrument aimed at controlling the behaviour and performance of employees, it is also true that most forms of participation include elements of both.

One way of conceptualizing major differences between various types of participation is offered by Hyman and Mason (1995), with their distinction between industrial democracy (ID), employee participation (EP) and employee involvement (EI). Leaving ID aside for the moment, as it largely corresponds to Pateman's 'full participation' and does not exist in mainstream private or public organizations in capitalist society, the key distinction is between EP and EI. In Hyman and Mason's terminology, EP is participation based essentially on rights granted to workers through legislation or collective bargaining. EP is mainly collective and indirect in the sense that it takes place through union representatives, health and safety representatives or other employee representatives. Contrary to this, EI is employer-driven and aims at increasing employee motivation and commitment as a means to improving organizational efficiency. Participation is direct, exercised by the individual employee or the team. To return to Pateman (1970) again, whereas EP mainly corresponds to her 'partial participation', many of the arrangements within EI, such as team briefings, quality circles and intensified information and communication processes, would qualify as 'pseudo participation'. At any rate, it is an instrumental type of participation where influence is granted not because it is considered a value in itself, but as a by-product of efficiency considerations. Further, EP and EI differ in that, while the former mainly addresses issues at a tactical or strategic level, the latter mainly deals with issues at the operational or task level; correspondingly Pateman (1970) distinguishes between higher and lower level management decisions. Salamon (1998) conceptualizes the two forms by contrasting power-centred participation with task-centred participation. EI and EP thus not only differ regarding *form*, the former practising direct participation, the latter indirect, but also regarding *scope*, 'that is the range of decisions which employees or their representatives participate in' (Blyton and Turnbull, 2004: 257).

From what has been said above there are obviously diverse driving forces and rationales behind participation. Knudsen (1995) lists three main rationales: industrial democracy, social integration and organizational efficiency. The vision of industrial democracy is historically linked to the labour movement and socialist reformers. Although full industrial democracy has never been achieved in any country (so far Yugoslavia came closest), over the last 150 years trade unions and labour parties have been preoccupied with increasing worker influence and in many countries have been successful in winning important participation rights, connected in particular to collective bargaining, works councils and board level representation. Poole (1986) conceives workers' participation as originating in aspirations among workers, unions and labour parties and as a move towards workplace democracy. An interest in democratizing, or at least humanizing, work was also present in the human relations and socio-technical traditions (Heller et al., 1998) as well as the Scandinavian work development programs unfolding from the 1960s and onwards (Hvid and Hasle, 2003).

The second rationale, social integration, has frequently been the motivation behind state interventions aiming to support participation through legal rights. To avoid industrial unrest and weaken radical currents in the labour movement concessions were granted to workers and trade unions. Ramsay (1977) showed that, historically, participation has surged and waned in cycles, and interpreted advances in participation as results of employer and government attempts to pacify assertive labour movements.

The third rationale, organizational efficiency, has already been mentioned: it is the rationale behind employer-driven participation of the EI type and aims at 'increased worker commitment, higher job satisfaction and motivation, and reduced resistance to change' (Blyton and Turnbull, 2004: 258). The growth in participation of the EI type in Western countries since 1980 has led to refutations or at least reformulations of Ramsay's cycles theory. Without rejecting the historical relevance of Ramsay's theory, Poole, Lansbury and Wailes (2001), as an updated alternative, propose a 'favourable conjunctures approach' in which strategic choices made by management at firm level are recognized as a main driver of participation since the 1980s. Similar ideas are discussed in a book published in honour of Harvie Ramsay (Harley et al., 2005).

Given the competing rationales and interests surrounding participation, which contexts are likely to produce participatory arrangements of a lasting and sustainable nature? According to Strauss (1998), relations of trust between management and employees and mutual benefits from participation for both sides are important preconditions in the organizational context. In a wider industrial relations context consensual systems are more prone to develop elements of participatory decision-making than adversarial ones; or at least this was the classical view, argued among others by Crouch (1993) who found participation, and the plus-sum logic he associated to it, to be most advanced in countries such as the Scandinavian countries and Germany characterized by 'bargained corporatism' rather than 'contestation' or 'pluralist bargaining'. This conclusion only appears to be true for the EP type of participation. According to the European EPOC (2005) study, direct participation (which is mainly of the EI-type), although less developed in systems characterized by contestation (Italy, Spain and Portugal), is just as widespread in pluralist bargaining systems (the UK and Ireland) as in bargained corporatism systems. However, an interesting finding from the same study was that Sweden, Denmark and Germany stood out as countries where employee representatives were far more likely to take part in decisions regarding the shaping of direct participation than in the remaining European countries. As Hagen and Trygstad (2009) argue, this indicates that direct and representative participation in the Scandinavian industrial relations (IR) context are linked to each other in important ways and that the boundaries between EP and EI are less clear-cut than suggested by Hyman and Mason (1995) whose findings mainly build on developments in the UK.

An example of how direct and representative participation is interlinked in Danish industrial relations can be found in the collective agreement laying the foundation of cooperation committees (the Danish version of works councils). The agreement advocates, as beneficial to both parties, 'active participation by employees and their elected union representatives' as well as management forms that 'prompt as many employees as possible to be involved in the arrangement and organization of daily work' and entail 'decentralisation and delegation to the individual employee or groups of employees' (Hasselbalch, 2005: 336, our translation).

Participation based on democratic values and unionism prospered in the decades after World War II. In particular in the Scandinavian countries, Germany and the Netherlands there was a move away from classical adversarialism where employers perceived participation as a threat to their management prerogative and unions opposed it on the grounds that employees should not become co-responsible for management decisions (cf. Clegg, 1970). However, from the early 1980s participation structures of the EP type came under attack from neo-liberalist ideas and reforms. At the same time, the European Union continued to support institutionalized forms of participation. The EU adopted a number of directives on participation which, although with weaker contents than originally envisaged, represented increases in participation rights for European workers (Gold, 2007).

While the change from collective, often union-based, forms of participation to individual, management-directed forms often was quite radical in Anglo-Saxon countries, this was less the case in the Scandinavian and most other western European countries. According to Gollan and Markey (2001: 338):

> ‘Hard’ HRM, characterised by direct methods of communication and participation, and an anti-union strategy, is … the dominant managerial philosophy in US firms … and very influential in other English-speaking countries … ‘Soft’ HRM is characterised by a greater acceptance of collective representative forms of participation, including unions, in partnership with direct forms of participation. This approach is dominant in the EU.

After this overview the next section will deal with how participation was defined for the purposes of this study, taking account of the specific features of the Danish industrial relations system.

Employee participation in this study

The study aimed to identify the forms, scope and depth (Blyton and Turnbull, 2004) of all employee participation taking place in the studied workplaces. It was not the intention to measure the effects of each individual participation scheme in each workplace (say, how team work or the works council affect the work environment), but rather to develop

a) aggregate quantitative measures for direct and representative participation respectively, and
b) an understanding of how participation is configured and embedded in different organizational settings and industrial relations structures.

Employee participation was defined as all forms through which employees take part in decisions regarding their job and their workplace. The degree or *strength* of participation was defined as determined by participation’s depth as well as its scope. As mentioned above, depth may vary from the mere reception of information from management, to consultation and joint talks and negotiations, to self-determination. Scope stretches from operational matters (related to the job/task), through tactical matters (related to work organization, technology and pay systems, etc.), to strategic issues (related to company missions and goals, investment and de-investment, etc.).

Regarding *forms* of participation, a key distinction was made between the following main forms:

- direct, individual or team-based participation
- direct, collective participation
- indirect, or representative, participation

Within the first form, the degree of job autonomy granted to individual employees and/or teams of employees is a key ingredient. Job autonomy is usually positively associated with skills, but also varies according to work organization and traditions within the individual trades and professions (Thompson and McHugh, 1995). Employees may also enjoy direct participation through informal interactions with management and arrangements such as appraisal interviews, quality circles and suggestion schemes (Marchington, 2005). The second form is direct participation practised collectively, such as staff meetings at workplace or division level, or project groups or committees dealing with workplace matters. Such fora usually have a consultative status, but may also be delegated actual decision-making authority. Finally, the third form is indirect participation, i.e. participation through elected representatives.

In Danish industrial relations there are several channels for representative participation (Knudsen, 1995). Local union representatives (shop stewards) function at a clear majority of workplaces. Provisions for works councils (cooperation committees) cover workplaces with more than 35 employees. In the works council employers are obliged to discuss principles regarding personnel policies and working conditions with employee representatives with the aim of reaching joint decisions. Further, work environment legislation entitles employees at workplaces with at least 10 employees to elect safety, or work environment, representatives. Together with management representatives they are organized in joint safety groups and safety committees.

The study was guided by these research questions:

- What characterizes employee participation at workplaces with a high quality and a low quality work environment respectively?
- How is employee participation in its different degrees and forms associated with work environment quality?
- Which mechanisms are active in bringing about effects from participation on work environment quality?

Design and methodology

The study was designed as a multi-method, multiple case study (Yin, 2003) of 11 workplaces from six industries: two food manufacturing factories, two hotels, two schools, two hospital wards, two banks and one IT establishment. The intention was to include two relatively similar workplaces regarding work process and product from each of the six industries. Further, they should have a workforce large enough to entitle them to have elected representatives, and, as the third criteria, they should differ substantially regarding QWE (quality of work environment). While the first two criteria were fulfilled satisfactorily, the latter one was only partly met. Still, the differences between the workplaces concerning QWE, cf. below, were large enough to allow meaningful comparisons within the sample. The workplaces were granted anonymity and are here named after the industry in question plus an X or a Y; X indicating a workplace originally chosen for its good work environment, and Y for its supposedly not so good work environment.

Data were collected from April to November 2008, through an array of different methods. At each workplace interviews were conducted with the top manager, one or two shop stewards (at the eight workplaces that had at least one), a health and safety representative and in some instances also with middle managers and HR managers. The interviews aimed at exploring the forms, extent and strength of participation and its embeddedness in wider organizational structures and values. In total, 46 individuals were interviewed.

A questionnaire targeted lay employees. It followed an analytical model in which the dependent variables aimed to measure different aspects of QWE while the independent variables measured various aspects of participation and a few other factors known to be important to the work environment, such as job demands, support from colleagues and recognition by management. The questionnaire was addressed to core group(s) of employees – at the schools, for instance, only to teachers, at the factories only to workers in production and distribution. Generally, managers and administrative staff were excluded. Response rates varied from 51 to 79 per cent, except for one workplace where it was down to 33 per cent. Table 1 presents the workplaces and provides information on respondents and response rates.

Table 1. The workplace sample: key characteristics and questionnaire response rates

Workplace	Core employee groups	Covered by collective agreement?	Number of respondents	Response rates (%)
Factory X	Workers in production and distribution	Yes	66	33
Factory Y		Yes	53	68
Hotel X	Reception, kitchen, restaurant and cleaning staff	Yes	23	58
Hotel Y		Yes	23	62
Bank X	Bank employees	Yes	33	73
Bank Y		Yes	21	78
School X	Teachers	Yes	10	71
School Y		Yes	41	79
Hospital X	Nurses, health care assistants and secretaries	Yes	93	62
Hospital Y		Yes	37	51
IT-X	IT developers, mainly engineers	No	109	66

A third data source consisted of documents obtained from the workplaces. The documents contain descriptions of work organization, personnel policies and health and safety policies as well as data related to the work environment, including the mandatory workplace assessment.

The methodology applied in analysing the data was primarily based on triangulation and comparisons. Triangulation was used in the sense that data obtained through the questionnaire were interpreted in the light of data from the interviews and documents, and vice versa.

The analyses presented here are of two types. The first one consists of *quantitative* comparative analyses across the sample of 11 workplaces based on questionnaire data. Levels of QWE and participation are established and compared across workplaces with the aim of exploring whether there is a correspondence between the level of QWE and the level of participation found at each workplace, and whether across workplaces there are statistically significant correlations between participation and QWE variables.

The approach used to measure levels is the following: the questionnaire operated with five reply options for all questions, ranging from 'always'/'very good' etc. to 'never'/ 'very bad' etc. These were transformed into quantitative scales by giving 40 points to responses in the highest category, 30 points to those in the next highest category, 20 to those in the middle category, 10 to those in the next lowest category and 0 points to the 'never' or 'very bad' answers. The scale makes it possible to calculate a value or score for each workplace regarding participation and QWE variables. In principle, the scale is similar to the 1–5 Likert-scale (multiplied by 10). However, it was chosen to give the most negative response option (which was often 'never') the value 0 instead of 10. The scale is also inspired by the 0–100 scale applied by the Danish National Research Centre for Work Environment (Kristensen et al., 2005). A 0–40 scale instead of the 0–100 scale was chosen in order to avoid scores being misinterpreted as percentage figures.

Secondly, analysis was conducted on the basis of the *qualitative* characteristics of the participation practised in the individual workplaces. From data on the forms, depth and scope of participation and on how participation at each workplace is embedded in organizational structures and values and linked to wider regulatory models (IR/HRM), four ideal types, or participation models, were identified into which the workplaces were grouped. Within this analytical structure the question: 'Which mechanisms are active in affecting QWE?' is discussed.

Findings

First the findings regarding work environment quality were presented, and it was established where the 11 workplaces were situated on the 0–40 scale. Next, the focus was on participation, and workplace scores on direct and representative participation as well as desired participation were displayed. Subsequently, levels of QWE were compared with levels of participation, and correlation rates between QWE and participation variables were calculated. Finally, the qualitative analysis of how participation affects QWE within the four different models was presented.

Quality of work environment

QWE for the workplaces was measured through the questionnaire. Respondents were asked to indicate their assessment/experience of:

- their total work environment
- their physical work environment
- their psychosocial work environment
- stress
- fatigue
- problems in work-life balance

Responses to the last three items were reversed and integrated into an index called 'well-being' (well-being thus being defined as the relative absence of stress, fatigue and problems with work-life balance). An integrated index was justified due to a high degree of correspondence between the replies given to the three items. Table 2 presents the workplace scores on these QWE dimensions.

As can be seen, on all dimensions there were quite substantial differences regarding QWE. The high scores at the top reflect conditions where the great majority of employees found their work environment good or very good, and the lower scores at the bottom are indicative of a situation where many found their work environment just acceptable and some even characterized it as bad.

Is it reasonable to expect participation to be associated with the different dimensions of the work environment in a uniform way? From prior research, direct participation could be expected to be more strongly related to the psychosocial work environment and employee well-being than to the physical work environment. Correlation analysis, indeed, found this to be the case. For instance, gamma-values expressing correlations between direct participation variables and the assessment of the psychosocial work

Table 2. Workplace scores on various dimensions of QWE (two highest scores on each dimension are shown in bold)

Workplace	Total work env.	Psycho-social work env.	Physical work env.	Well-being
Hospital Y	**33.0**	**33.0**	**35.1**	**30.0**
School X	**29.0**	28.0	28.0	27.7
IT-X	28.8	27.6	**30.5**	26.7
Hotel X	28.3	**29.6**	25.2	26.8
Hotel Y	28.3	27.8	26.5	25.5
Bank X	27.9	27.3	29.4	24.8
Bank Y	27.6	27.1	27.6	26.2
Factory X	26.2	25.8	24.5	**28.8**
Hospital X	25.8	29.4	18.9	27.3
School Y	24.4	23.4	22.0	24.4
Factory Y	22.3	22.3	23.0	20.5

environment ranged between 0.25 and 0.49 (average: 0.39) whereas the values for associations between the same variables and the physical work environment were only between 0.11 and 0.32 (average: 0.21). Without dismissing the importance of participation as a means of influencing the physical work environment, the analysis in the following concentrates on participation's importance for the psychosocial work environment and employees' well-being. Further, to reduce complexity, just one measure for 'psychosocial well-being' was used; the measure was constructed as the average of the scores for psychosocial work environment and well-being, cf. Tables 2 and 3.

Participation

Quantitative measures for *direct* participation were developed from questionnaire questions concerning:

- influence on work load
- influence on work speed
- influence on arrangement of work
- information from management
- learning opportunities
- joint efforts to secure fair work demands

The first three questions were core participation variables. Information from management is an important precondition for participation (Knudsen, 1995); learning is a specific and active form of participation and is hardly possible without participation (Wenger, 1998); finally, the question on joint efforts aimed to uncover collective activities among employees, cf. Lysgaard's (1967) concept of 'the workers' collective'.

Regarding *representative* participation all the representative structures typical for the Danish IR system were in place at eight of the 11 workplaces: there were one or more union representatives, a works council and one or more health and safety representatives and structures with health and safety (H&S) groups and/or committees (although at Hospital Y the works council was at a level above the ward and in the banks H&S representation took place only at group level). Among the remaining three workplaces (IT-X, Hotel X and Hotel Y) the mandatory H&S representation was in place, but there were no elected union representatives, and at the hotels works councils only existed at group level.

The questionnaire approached representative participation by asking whether respondents felt they had influence on their working conditions through

- their union representative
- the works council
- the H&S representative and H&S committee

Finally, the questionnaire included a question asking employees whether they thought they *should have* more influence. The question aimed at measuring whether employees experienced a satisfactory level of participation or, on the contrary, a 'participation

Table 3. Workplace scores and rank orders, direct participation (DP), representative participation (RP) and desire for more influence (DI) – compared with QWE

Workplace	QWE score	DP score	DP order	RP score	RP order	DI score	DI order
Hospital Y	31.5	27.6	1	18.7	4	13.8	10
Hospital X	28.4	26.9	2	18.8	3	16.8	8
Hotel X	28.2	25.9	4	15.2	7	19.0	7
School X	27.9	26.7	3	21.0	1	11.0	11
Factory X	27.3	19.9	11	15.9	5	20.8	4
IT-X	27.2	23.8	6	11.1	10	21.9	2
Bank Y	26.6	23.4	7	15.0	8	19.5	5
Hotel Y	26.2	22.0	9	11.0	11	16.5	9
Bank X	26.1	23.1	8	19.4	2	19.4	6
School Y	23.9	24.4	5	15.4	6	21.7	3
Factory Y	21.4	20.4	10	13.9	9	25.8	1

Note: Workplaces ordered after score on QWE (psychosocial well-being)

deficit'. If participation and influence are essential for QWE one would expect to find the strongest desire for more influence at workplaces where QWE levels are low.

Table 3 displays workplace scores and rank order regarding direct and representative participation as well as desired influence. For direct and representative participation the scores were aggregate (scores on the individual items added and divided by the number of items). Here again quite substantial differences were found between the highest and lowest scoring workplaces.

Participation and QWE: patterns and correlations

Which patterns can be discerned in Table 3, and, if individual observations deviate from the overall patterns, how can these be explained? A clear pattern – except for two workplaces – was a conspicuous correspondence between levels of QWE (psychosocial well-being) and levels of direct participation. The two fluctuated together. Among the two workplaces not fitting into the pattern, School Y was an example of a workplace where an average level of direct participation was not able to secure psychosocial well-being; at this school job demands were experienced as very high and many did not feel their work was being appreciated. At the other exception, Factory X, psychosocial well-being was relatively high in spite of a low level of direct participation. As revealed by the interviews, good social relations here seemed to compensate for the low level of participation.

The pattern was somewhat less clear when scores on representative participation were compared with QWE levels. The strongest influence through representatives was found among the highest ranking workplaces. This observation was supported by interview data that revealed a strong presence of collective and representative participation at these workplaces (the two hospitals and School X). Bank X, however, with its rather low QWE, was also in a top position regarding representative participation and thus broke the pattern. Next, and unsurprisingly, we found rather low scores for representative participation at the three workplaces without union representation; a fact that helps to undermine a strong correspondence between representative participation and QWE.

Finally, the pattern was again quite clear when comparing levels of QWE with levels of desired influence. At workplaces with high QWE the desire for more influence was low, whereas it was high at workplaces with low QWE. Pattern-breakers here were notably IT-X where employees were strongly dissatisfied with the detailed regulation of work procedures stemming from the US headquarters, and Hotel Y where a substantial part of employees were part-timers and/or students, which may explain why they, in spite of relatively low QWE, did not flag an interest in getting more influence.

A more concentrated expression of how participation and QWE are associated can be found by correlation analysis. Table 4 shows the correlation rates between QWE (psychosocial well-being) and the three participation parameters.

The results demonstrated a relatively strong, and statistically significant, positive correlation between direct participation and QWE, and a somewhat weaker positive correlation between representative participation and QWE. The strongest correlation, however, was the negative one found between QWE and the desire for more influence.

Although theoretically it cannot be determined what is cause and what is effect, it is logical to assume that participation (active processes) causes well-being (a state) rather than vice versa. Similarly, an experienced lack of participation may function as a frustration that impacts negatively on how psychosocial well-being is rated.

Whether measuring actual or desired participation, the two variables seemed to be two sides of the same phenomenon. Statistically, it turned out that positively experienced participation and the desire for more influence were strongly and negatively correlated (– 0.70). In future research it may be just as interesting to study deficits of participation as actual participation.

Participation models: four ideal types

The interviews provided detailed knowledge about the different ways in which participation was configured and practised. Different profiles appeared as to how participation is embedded in the organizational context and linked to wider industrial relations structures. Analytically, the workplaces could be grouped around four ideal types or models of participation.

Table 4. Correlation rates between QWE and participation (Pearson)

	Direct Participation	Representative Participation	Desired Influence	N
QWE (psychosocial wellbeing)	0.68*	0.40	−0.74**	11

*p<0.05
**p<0.01

The *bipartite model* was found at the two factories and at School Y. Here participation was practised very much in accordance with the formal regulatory framework, meaning that representative participation was well consolidated with many issues being discussed jointly between managers and employee representatives. Yet, this approach only marginally encompassed direct participation, which, especially in the factories, was shaped by management. An interesting case is Factory Y, where the principles of lean production and team-work had recently been introduced. Although management saw lean as a method to increase employee participation and job satisfaction (and also productivity), and although employee representatives had accepted the change, many of the workers thought differently and were dissatisfied with their work environment. School Y is also placed in this group. Not surprisingly, due to the high degree of autonomy in teaching work, direct participation is more developed here than in the factories, and representative participation seemed to function fairly well. Still, the school had recently been ridden with work environment problems – in particular stress. Together, the cases indicate that participation arrangements modelled on the institutional set-up typical for Danish industrial relations, even when employees have some say over task-level participation, are not sufficient to maintain work environment quality.

A second model, the *HRM model*, was found at IT-X and the two hotels. Here, the shaping of participation was very much in the hands of management and the HR department, with direct participation as the dominating form. Representative participation was weak, in the main restricted to the mandatory health and safety structures, and the limits to participation were given by management considerations as to what is beneficial to productivity. It must be added, though, that management considered employee well-being to be an important element in improving productivity. The top managers at the hotels (both women) pursued a caring and humanistic management approach with types of flexibility that entailed benefits to the company as well as the employees. Although none of the workplaces in this group were in the bottom concerning work environment, a quite high stress level was found at Hotel Y, and at IT-X participation took place in a context of pressure from deadlines and appraisal systems that prompted employees to work extra hours without being paid for them. Thus, neither does the HRM-dominated participation model secured a good work environment.

The two banks represented a *hybrid* between the two first models. The local union representatives were consulted and informed, but were involved in a narrower range of issues than union representatives at the schools, hospitals and factories. Their main function was to take up grievances and act as mediators between management and individual employees. The shaping of direct participation, including a recent change to team-work, was unambiguously determined by management and closely linked to productivity considerations: ‘As long as you are a success you decide yourself’, as one manager put it. Furthermore, participation was embedded in a work culture where individual performance was central to remuneration and career opportunities. Being an instrumental part of this work culture, participation did not entail employee control over working conditions and could not serve to offset the pressures from high job demands. This lack of control helps to explain why the banks were placed rather low regarding psychosocial work environment quality.

Finally, a fourth model, the *democratic model*, could be identified at School X and the two hospital wards. These three workplaces went considerably further in allowing employees collectively to take part in decision-making rather than just following the formal regulatory structures defined in legislation and collective agreements. Employees were able to influence the planning, organization and development of work through regular meetings for all employees and ad hoc committees where specific issues were discussed prior to final decisions. Moreover, the forms and content of direct participation at task level were not decided unilaterally by management, but were open to collective discussions at staff meetings and works council meetings. The strong element of direct, collective participation was supported by managers and employee representatives alike, and there was a close and trustful relationship between managers and representatives.

Several features distinguish this last model from the others. Firstly, there was a balanced mix between direct and representative forms of participation and the two were closely interrelated; they did not belong to different realms as was the case in the other models, where direct participation was totally, or primarily, management-driven while representative participation rested on a bipartite basis. Secondly, direct collective participation played an important role; it was exactly the powers delegated to committee and staff meetings that made it justified to term this model democratic. Thirdly, participation was not limited to the operational level as, with few exceptions, was the case in the other models. Tactical issues such as work organization and operation schedules were also subject to participatory decision-making, and, although influence at the strategic level was limited, the signals sent to this level rest on consensual decisions. Fourthly, participation was based on the common understanding that it should benefit employee well-being as well as performance.

If participation was important for work environment quality the workplaces belonging to the democratic model should be found at the top in our comparison. This was indeed the case: the three workplaces with a democratic governance structure were all among the top four regarding QWE expressed as psychosocial well-being, cf. Table 3.

Conclusions

The findings support the assumption that participation plays a positive role for work environment quality. The quantitative analyses comparing levels of participation and levels of QWE display a pattern where the two fluctuate together: high levels of psychosocial well-being are found at workplaces with high levels of participation, and low levels of psychosocial well-being and participation accompany each other at other workplaces. Regarding direct participation only two workplaces deviate from the pattern, while a few more do so when it comes to representative participation. However, it is noteworthy that the top QWE workplaces have high levels of direct as well as representative participation. Statistically, the correlation is significant regarding direct but not regarding representative participation.

Regarding the alternative assumption, that certain forms of participation in certain organizational contexts may affect QWE negatively, the brief answer is that evidence of such negative effects *was* found; however, not to an extent enabling it to show up statistically. Notably in the banks, the IT establishment, Factory Y and School Y configurations were found within which direct participation is closely intertwined with performance and control systems that systematically demand more from employees than they can deliver and therefore threaten psychosocial well-being (Busck et al., 2010). However, further studies, applying different methodologies than the ones used in this study, are needed to gain more precise knowledge on the mechanisms responsible for negative effects of participation.

The qualitative analysis grouping the workplaces within four models of participation finds one model in particular to be able to generate work environment quality, namely the democratic model. This finding must be considered the most important one from the whole study as the data from the democratically governed workplaces leave no doubt that here participation is indeed the key to the high quality of the psychosocial work environment. Acting closely together with local managers, employees are here able to deal quite effectively with threats to their psychosocial work environment. For instance, high job demands stemming from higher levels in the organizational hierarchy are being tackled and confronted in ways that prevent strain and stress. Within these frames the theory behind Karasek's demand-control model (Karasek and Theorell, 1990) still seems to be valid. Further, although based on an informal basis and only pertaining to 'lower level of management' issues, participation at these workplaces bears some resemblance to what Pateman (1970) defined as 'full participation'. Furthermore, these examples indicate that participation does not have to be a question of either EI or EP (Hyman and Mason, 1995). Configurations of participation which balance democracy and efficiency concerns, and employer and employee interests, *are* possible, if supported by managers and employees alike.

It is hardly a coincidence that those employed in the democratic workplaces belong to professions (teachers and nurses). Professions have their own, collective, standards regarding the work they are authorized to do, and workers with a professional background are generally more engaged in their work than most other workers. Yet, professional work is not automatically organized democratically. The employees at School Y and IT-X are professionals too, but their participation is constrained and not part of a democratic governance structure.

Conversely, workplace democracy does not have to be confined to professional occupations. Although Hotel X fits better with the HRM model than with the democratic model, its management style contains democratic elements. In principle, democratic decision-making is an option for any workplace. However, as long as workplace democracy rests on an informal foundation it remains fragile and depends very much on the values and convictions held by managers. In contemporary society there are no formal regulations calling for the democratic governance of workplaces, and, generally, HRM textbooks do not advocate democratic management. Yet, the findings presented here suggest that democracy should be brought back onto the working life agenda after three decades with a discourse dominated by HRM and neo-liberal prescriptions.

Acknowledgements

The Danish Foundation for Work Environment Research funded the main part of the research reported in this article.

References

Blyton P and Turnbull P (2004) *The Dynamics of Employee Relations*. Basingstoke: Palgrave Macmillan.

Busck O, Knudsen H and Lind J (2010) The transformation of employee participation: consequences for the work environment. *Economic and Industrial Democracy* 31(3): 285–307.

Clegg H (1970) A retreat. In: Coates K and Topham T (eds): *Workers' Control*. London: Panther Books, 352–56.

Crouch C (1993) *Industrial Relations and European State Traditions*. Oxford: Clarendon Press.

EPOC (Employee Direct Participation in Organisational Change) (2005) *New Forms of Work Organisation: Results of a Survey of Direct Participation in Europe*. Dublin: European Foundation.

Gold M (2007) The European Works Councils Directive: changing rationales for EU regulation of employee participation. In: Whittal M et al. (eds) *Towards a European Labour Identity: The Case of the European Works Council*. London: Routledge, 19–40.

Gollan P and Markey R (2001) Conclusions: Models of Diversity and Interaction. In: Markey R et al. (eds) *Models of Employee Participation in a Changing Global Environment: Diversity and Interaction*. Aldershot: Ashgate, 322–43.

Hagen IM and Trygstad S (2009) Local flexicurity: resolving the conflict between direct and representative participation. *Transfer* 15(3/4): 557–77.

Harley B, Hyman J and Thompson P (eds) (2005) *Participation and Democracy at Work: Essays in Honour of Harvie Ramsay*. London: Palgrave.

Hasselbalch O (ed.) (2005) *Arbejdsmarkedets regler*. Copenhagen: Jurist- og Økonomforbundets Forlag.

Heller F (1998) Playing the devil's advocate: limits to influence sharing in theory and practice. In: Heller F et al. (eds) *Organizational Participation*. Oxford: Oxford University Press, 144–89.

Heller F, Pusic E, Strauss G and Wilpert B (1998) *Organizational Participation.* Oxford: Oxford University Press.

Hvid H and Hasle P (2003) *Human Development and Working Life*. Aldershot: Ashgate.

Hyman J and Mason B (1995) *Managing Employee Involvement and Participation*. London: Sage.

Kalleberg AL, Nesheim T and Olsen KM (2009) Is participation good or bad for workers? *Acta Sociologica* 52(2): 99–116.

Karasek R and Theorell T (1990) *Healthy Work: Stress, Productivity and the Reconstruction of Working Life*. New York, NY: Basic Books.

Knudsen H (1995) *Employee Participation in Europe*. London: Sage.

Kristensen TS, Hannerz H, Høgh A and Borg V (2005) The Copenhagen Psychosocial Questionnaire: a tool for the assessment and improvement of the psychosocial work environment. *Scandinavian Journal of Work, Environment and Health* 31(6): 438–49.

Lysgaard S (1967) *Arbeiderkollektivet*. Oslo: Universitetsforlaget.

Marchington M (2005) Employee involvement: patterns and explanations. In: Harley B et al. (eds) *Participation and Democracy at Work: Essays in Honour of Harvie Ramsay*. London: Palgrave, 20–36.

Pateman C (1970) *Participation and Democratic Theory*. Cambridge: Cambridge University Press.

Poole M (1986) *Towards a New Industrial Democracy: Workers' Participation in Industry*. London: Routledge.

Poole M, Lansbury R and Wailes N (2001) Participation and industrial democracy revisited: a theoretical perspective. In: Markey R et al. (eds) *Models of Employee Participation in a Changing Global Environment*. Aldershot: Ashgate, 23–36.

Ramsay H (1977) Cycles of control: worker participation in sociological and historical perspective. *Sociology* 11(4): 481–506.

Salamon M (1998) *Industrial Relations: Theory and Practice*. Harlow/London: Prentice Hall.

Strauss G (1998) Participation works – if conditions are appropriate. In: Heller F et al. (eds) *Organizational Participation*. Oxford: Oxford University Press, 190–219.

Thompson P and McHugh D (1995) *Work Organisations: A Critical Introduction*. London: Macmillan.

Wall TD and Lischeron JA (1977) *Worker Participation: A Critique of the Literature and Some Fresh Evidence.* Maidenhead: McGraw Hill.

Walters D and Nichols T (2007) *Worker Representation and Workplace Health and Safety*. London: Palgrave Macmillan.

Wenger E (1998) *Communities of Practice: Learning, Meaning and Identity*. Cambridge: Cambridge University Press.

Yin R (2003) *Case Study Research: Design and Methods.* London: Sage.

Herman Knudsen is professor in the sociology of work at the Department of Development and Planning, Aalborg University. His main research area is employee participation and the role of employee participation in industrial relations. Publications include *Employee Participation in Europe* (Sage, 1995) and, together with Michael Whittall and Fred Huijgen, *Towards a European Labour Identity: The Case of the European Works Council* (Routledge, 2007).

Ole Busck is associate professor in work environment planning at the Department of Development and Planning, Aalborg University. He started his academic career in 2002 after a long period as an officer in the General Workers Union of Denmark, responsible for health and safety. Research has mainly been devoted to health and safety regulation and practice with a special focus on organizational issues, employee participation and psychosocial work environment problems. Publications include 'The transformation of employee participation' in *Economic and Industrial Democracy*.

Jens Lind is associate professor at the Department of Sociology, Social Work and Organisation, Aalborg University. His area of competence is collective bargaining and employment policy, and he has written extensively on unemployment, flexicurity, non-standard employment and trade union strategies and organization. Publications include *Labour and Employment Regulation in Europe* (Peter Lang, 2004).

Date submitted July 2009
Date accepted October 2010